

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
(DETROIT)**

In re:)
)
CITY OF DETROIT, MICHIGAN,) CASE NO.: 13-53846
)
)
Debtor.) CHAPTER 9
)
) Hon. Steven W. Rhodes
)

**RESPONSES TO DEBTOR'S FIRST REQUESTS
FOR PRODUCTION OF DOCUMENTS TO U.S. BANK**

U.S. Bank National Association (“U.S. Bank”), solely in its capacity as Trustee (the “Water and Sewer Trustee”) for the outstanding water and sewer bonds (the “Bonds”) issued by the City of Detroit (the “City” or the “Debtor”), pursuant to Rule 7034 of the Federal Rules of Bankruptcy Procedure (“FRBP”) and Rule 34 of the Federal Rules of Civil Procedure (“FRCP”), hereby responds to the Debtor’s First Requests for Production of Documents to U.S. Bank.

GENERAL OBJECTIONS

1. U.S. Bank objects to these requests to the extent that they purport to seek responses or documents from U.S. Bank separate and apart from its capacity as Water and Sewer Trustee for the Bonds. U.S. Bank will interpret the requests as if directed to it solely within its capacity as Water and Sewer Trustee.

2. The Water and Sewer Trustee objects to these requests to the extent that they are not in compliance with the local rules of this Court, including, but not limited to, the requirement that discovery requests must be filed with the Court.

3. The Water and Sewer Trustee objects to these requests to the extent that they purport to impose duties beyond those provided by law. The Water and Sewer Trustee will interpret the requests as conforming to the FRCP, FRBP, and local rules where possible.

4. The Water and Sewer Trustee objects to these requests to the extent that they purport to call for the disclosure or production of privileged or confidential information or documents, or to call for information or documents otherwise protected from discovery under the attorney work product doctrine, the attorney-client privilege, the common interest privilege or any other protective doctrine or privilege. The Water and Sewer Trustee will interpret each request, to the extent possible, as not requesting such protected or privileged material or information.

5. At least one of these requests makes reference to the Debtor's First Set of Interrogatories to the Water and Sewer Trustee. All objections to such interrogatories (including general objections and specific objections) are hereby incorporated by reference in the responses that relate to such interrogatories.

6. The Water and Sewer Trustee objects to these requests to the extent that they purport to seek the premature disclosure of expert opinions, information and materials not required to be disclosed until at least June 24, 2014, pursuant to the Fourth Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to the Debtor's Plan of Adjustment (Doc. 4202), entered on April 21, 2014, which may be amended again to require a later disclosure date.

RESPONSES TO INDIVIDUALLY NUMBERED
REQUESTS FOR PRODUCTION OF DOCUMENTS

1. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding the viability of the Detroit Water and Sewer Department (“DWSD”) on a stand-alone basis.

RESPONSE: The Water and Sewer Trustee has requested this same information from the City both informally and through the formal discovery process. However, the City has yet to provide such information except what is publicly available on the City’s and DWSD’s websites, what limited information the City provided through mediation, and such information that has been provided with the Plan and Disclosure Statement. The Water and Sewer Trustee will not produce any information provided by the City as referenced above. The Water and Sewer Trustee further objects to this request to the extent it seeks disclosure of privileged information, protected attorney work product or protected expert trial-preparation material. The Water and Sewer Trustee further objects to this request to the extent it seeks the premature disclosure of expert opinions, information and materials. The Water and Sewer Trustee will comply with Rule 26 of the FRCP and Rule 7026 of the FRBP regarding expert disclosures at the appropriate time as has been set by the Court and which may be amended again to require a later disclosure date.

2. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding the viability of DWSD assuming that it operates as part of a regional authority.

RESPONSE: The Water and Sewer Trustee has requested this same information from the City both informally and through the formal discovery process. However, the City has yet to provide such information except what is publicly available on the City’s and

DWSD's websites, what limited information the City provided through mediation, and such information that has been provided with the Plan and Disclosure Statement. The Water and Sewer Trustee will not produce any information provided by the City as referenced above. The Water and Sewer Trustee objects to this request to the extent it seeks disclosure of privileged information, protected attorney work product or protected expert trial-preparation material. The Water and Sewer Trustee further objects to this request to the extent it seeks the premature disclosure of expert opinions, information and materials. The Water and Sewer Trustee will comply with Rule 26 of the FRCP and Rule 7026 of the FRBP regarding expert disclosures at the appropriate time as has been set by the Court and which may be amended again to require a later disclosure date.

3. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding the ability of DWSD to fund a lease payment without harming the ability of DWSD to meet existing or anticipated debt service requirements

RESPONSE: The Water and Sewer Trustee has requested this same information from the City both informally and through the formal discovery process. However, the City has yet to provide such information except what is publicly available on the City's and DWSD's websites, what limited information the City provided through mediation, and such information that has been provided with the Plan and Disclosure Statement. The Water and Sewer Trustee will not produce any information provided by the City as referenced above. The Water and Sewer Trustee objects to this request to the extent it seeks disclosure of privileged information, protected attorney work product or protected expert trial-preparation material. The Water and Sewer Trustee further objects to this request to the

extent it seeks the premature disclosure of expert opinions, information and materials. The Water and Sewer Trustee will comply with Rule 26 of the FRCP and Rule 7026 of the FRBP regarding expert disclosures at the appropriate time as has been set by the Court and which may be amended again to require a later disclosure date.

4. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding other debtors who have entered into privatization contracts.

RESPONSE: The Water and Sewer Trustee has requested this same information from the City both informally and through the formal discovery process. However, the City has yet to provide such information except what is publicly available on the City's and DWSD's websites, what limited information the City provided through mediation, and such information that has been provided with the Plan and Disclosure Statement. The Water and Sewer Trustee will not produce any information provided by the City as referenced above. The Water and Sewer Trustee objects to this request to the extent it seeks disclosure of privileged information, protected attorney work product or protected expert trial-preparation material. The Water and Sewer Trustee further objects to this request to the extent it seeks the premature disclosure of expert opinions, information and materials. The Water and Sewer Trustee will comply with Rule 26 of the FRCP and Rule 7026 of the FRBP regarding expert disclosures at the appropriate time as has been set by the Court and which may be amended again to require a later disclosure date.

5. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding the proposed \$47 million

lease, including but not limited to any research, studies, reports, or analyses addressing the viability of DWSD under said lease.

RESPONSE: The Water and Sewer Trustee has requested this same information from the City both informally and through the formal discovery process. However, the City has yet to provide such information except what is publicly available on the City's and DWSD's websites, what limited information the City provided through mediation, and such information that has been provided with the Plan and Disclosure Statement. The Water and Sewer Trustee will not produce any information provided by the City as referenced above. The Water and Sewer Trustee objects to this request to the extent it seeks disclosure of privileged information, protected attorney work product or protected expert trial-preparation material. The Water and Sewer Trustee further objects to this request to the extent it seeks the premature disclosure of expert opinions, information and materials. The Water and Sewer Trustee will comply with Rule 26 of the FRCP and Rule 7026 of the FRBP regarding expert disclosures at the appropriate time as has been set by the Court and which may be amended again to require a later disclosure date.

6. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding the feasibility of exiting the DWSD system.

RESPONSE: The Water and Sewer Trustee has requested this same information from the City both informally and through the formal discovery process. However, the City has yet to provide such information except what is publicly available on the City's and DWSD's websites, what limited information the City provided through mediation, and such information that has been provided with the Plan and Disclosure Statement. The Water

and Sewer Trustee will not produce any information provided by the City as referenced above. The Water and Sewer Trustee objects to this request because it is overly broad. The Water and Sewer Trustee objects to this request to the extent it seeks disclosure of privileged information, protected attorney work product or protected expert trial-preparation material. The Water and Sewer Trustee further objects to this request to the extent it seeks the premature disclosure of expert opinions, information and materials. The Water and Sewer Trustee will comply with Rule 26 of the FRCP and Rule 7026 of the FRBP regarding expert disclosures at the appropriate time as has been set by the Court and which may be amended again to require a later disclosure date.

7. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding valuation(s) of DWSD.

RESPONSE: The Water and Sewer Trustee has requested this same information from the City both informally and through the formal discovery process. However, the City has yet to provide such information except what is publicly available on the City's and DWSD's websites, what limited information the City provided through mediation, and such information that has been provided with the Plan and Disclosure Statement. The Water and Sewer Trustee will not produce any information provided by the City as referenced above. The Water and Sewer Trustee objects to this request to the extent it seeks disclosure of privileged information, protected attorney work product or protected expert trial-preparation material. The Water and Sewer Trustee further objects to this request to the extent it seeks the premature disclosure of expert opinions, information and materials. The Water and Sewer Trustee will comply with Rule 26 of the FRCP and Rule 7026 of the

Federal Bankruptcy Rules regarding expert disclosures at the appropriate time as has been set by the Court and which may be amended again to require to a later disclosure date.

8. All documents relating to any potential transaction regarding privatization of DWSD or the creation of a regional authority to operate DWSD.

RESPONSE: The Water and Sewer Trustee has requested this same information from the City both informally and through the formal discovery process. However, the City has yet to provide such information except what is publicly available on the City's and DWSD's websites, what limited information the City provided through mediation, and such information that has been provided with the Plan and Disclosure Statement. The Water and Sewer Trustee will not produce any information provided by the City as referenced above. The Water and Sewer Trustee objects to this request to the extent it seeks disclosure of privileged information, protected attorney work product or protected expert trial-preparation material. The Water and Sewer Trustee further objects to this request to the extent it seeks the premature disclosure of expert opinions, information and materials. The Water and Sewer Trustee will comply with Rule 26 of the FRCP and Rule 7026 of the FRBP regarding expert disclosures at the appropriate time as has been set by the Court and which may be amended again to require a later disclosure date.

9. All communications between you and any DWSD bond insurers or financial advisors.

RESPONSE: The Water and Sewer Trustee objects to this request on the basis that it is overly broad and seeks discovery of documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence because it is not limited in time or subject matter. The Water and Sewer Trustee further objects to this request to the extent it

seeks disclosure of privileged information, protected attorney work product or protected expert trial-preparation material.

10. All communications between you and UHY, or any other consultants.

RESPONSE: The Water and Sewer Trustee objects to this request on the basis that it is overly broad and seeks discovery of documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence because it is not limited in time or subject matter. The Water and Sewer Trustee objects to this request to the extent it seeks disclosure of privileged information, protected attorney work product or protected expert trial-preparation material. The Water and Sewer Trustee further objects to this request to the extent it seeks the premature disclosure of expert opinions, information and materials. The Water and Sewer Trustee will comply with Rule 26 of the FRCP and Rule 7026 of the FRBP regarding expert disclosures at the appropriate time as has been set by the Court and which may be amended again to require a later disclosure date.

11. Documents relating to any valuation of the art housed at the DIA conducted or arranged by Houlihan Lokey.

RESPONSE: Subject to the General Objections, the Water and Sewer Trustee has no responsive documents other than publicly available information, such as newspaper articles and pleadings on the docket, to which the Debtor already has access.

12. Analysis by you and/or Houlihan Lokey relating to the potential value of the art housed at the DIA.

RESPONSE: Subject to the General Objections, the Water and Sewer Trustee has no responsive documents other than publicly available information, such as newspaper articles and pleadings on the docket, to which the Debtor already has access.

13. Communications with Houlihan Lokey and/or other creditors of the City of Detroit relating to any valuation of the art housed at DIA, including but not limited to communications addressing the process or method utilized by Houlihan Lokey to value the art.

RESPONSE: Subject to the General Objections, the Water and Sewer Trustee has no responsive documents other than publicly available information, such as newspaper articles and pleadings on the docket, to which the Debtor already has access.

14. Any actual bids, proposals, non-binding indications of interest or non-binding term sheets (as those terms are used in DE #3923) received by you or Houlihan Lokey relating to the art housed at the DIA.

RESPONSE: Subject to the General Objections, the Water and Sewer Trustee has no responsive documents other than publicly available information, such as newspaper articles and pleadings on the docket, to which the Debtor already has access.

15. Communications between, on the one hand, you and/or Houlihan Lokey, and on the other, any person who submitted a bid, proposal, non-binding indication of interest or non-binding term sheet (as those terms are used in DE #3923) relating to the art housed at the DIA.

RESPONSE: Subject to the General Objections, the Water and Sewer Trustee has no responsive documents other than publicly available information, such as newspaper articles and pleadings on the docket, to which the Debtor already has access.

16. All documents referred to, reviewed, consulted, or relied on in responding to the accompanying Interrogatories (served herewith) and not otherwise produced in response to these Requests for Production of Documents.

RESPONSE: The Water and Sewer Trustee objects to this request to the extent it seeks disclosure of privileged information, protected attorney work product or protected

**expert trial-preparation material. Subject to these objections and the General Objections,
the Water and Sewer Trustee has no responsive documents.**

Date: May 6, 2014.

/s/ David E. Lemke

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*Attorneys for U.S. Bank National Association, as
Trustee for the Water and Sewer Bonds*

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was served via email and overnight delivery on the following on the 6th day of May, 2014:

Ms. Heather Lennox
JONES DAY
222 East 41st Street
New York, New York 10017

Mr. Bruce Bennett
JONES DAY
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50th Floor
Los Angeles, California 90071

I hereby further certify that the foregoing was filed and served by the Court's electronic case filing and noticing system to all parties registered to receive electronic notices in this matter this 6th day of May, 2014.

/s/ David E. Lemke

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